



MONITORING FOR LOCAL GOVERNMENT FISCAL DISTRESS 2020 AND 2021 REPORT

AS OF APRIL 2022

Auditor of Public Accounts
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EXECUTIVE SUMMARY

The Virginia Acts of Assembly directs the Auditor of Public Accounts (Office) to establish a prioritized early warning system and annually monitor data and information from this system to identify potential fiscal distress within local governments across Virginia. As part of this system, the Office calculates 12 financial ratios using data from the localities' audited financial reports and analyzes the results of each locality's ratio performance using a points-based methodology. We also review any trends showing significant increases in total points from year to year. We apply a judgment-based threshold of total points for all 12 financial ratios to determine whether we need to perform an additional qualitative assessment of a locality using demographic and other external, qualitative factors as part of our final evaluation. During the current year analysis, we applied a 45-point threshold as the indicator for performing our further qualitative review. Based on the results of the ratio and qualitative analyses, we classify each locality into either one of two categories: needs further follow-up through our financial assessment questionnaire and review process or does not need any further follow-up for the current monitoring process.

For the 2020 and 2021 annual monitoring processes, we completed our final calculations and review of the ratio analysis based on fiscal year 2019 and fiscal year 2020 audited financial statement data for the cities, counties, and towns required to have an audit and annually report to our Office, and simultaneously evaluated the ratio results for both fiscal years. In performing our qualitative analysis for localities that exceeded the 45-point threshold, we did not identify any new locality showing unexpected trends in total ratio points or other qualitative factors. Accordingly, based on the results of the 2020 and 2021 analyses, the Office did not identify any new locality as needing further follow-up with our financial assessment questionnaire and review process.

Based on the results of the 2020 and 2021 analyses, the Office did not identify any new locality as needing further follow-up through our questionnaire process.

We continue to qualitatively identify the City of Hopewell as part of our monitoring process because the city remains delayed in completing its fiscal years 2019 and 2020 annual financial reports, which impacted our evaluation of the city's financial data in our ratio analysis. We again deferred our follow-up process with Hopewell until the city completes its outstanding audits and financial reporting requirements. Additionally, we continued to monitor the ratio trends for the City of Buena Vista when reviewing fiscal years 2019 and 2020 audited financial statement data. Based on our review during the 2020 and 2021 annual monitoring process, we noted significant downward trends in the ratio analysis for the city. Therefore, the Office formally corresponded in April 2021 with the city's governing body and management and requested to perform additional follow-up through our financial assessment questionnaire and review process. We are awaiting a response from the city's management.

We continue to qualitatively identify the City of Hopewell because the city remains delayed in completing its 2019 and 2020 financial reports. In addition, the Office communicated again with the City of Buena Vista requesting to perform additional review due to significant downward trends noted in the 2020 and 2021 ratio analyses.

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LOCAL GOVERNMENT FISCAL DISTRESS MONITORING

Background

Chapter 552 of the 2021 Virginia Acts of Assembly, Item 4-8.03 (Chapter 552), sets out the requirements and parameters for Virginia's early warning monitoring system focused on identifying local government fiscal distress. Fiscal distress, as defined in the context of Item 4-8.03, refers to a condition in which a local government's provision and sustainability of public services is threatened by various administrative and financial shortcomings, including but not limited to:

- cash flow issues, structurally imbalanced budgets, debt overload, deficit spending, and inability to pay expenses;
- revenue shortfalls and billing and revenue collection inadequacies and discrepancies;
- inability to meet obligations to authorities, school divisions, or political subdivisions of the Commonwealth; and/or
- lack of trained and qualified staff to process administrative and financial transactions.

Chapter 552 directs the Auditor of Public Accounts (Office) to develop criteria for making a preliminary determination of local government fiscal distress based on audited financial statements, other financial data, and nonfinancial factors. Further, the Office is charged with establishing a prioritized early warning system based on the established criteria and monitoring the data and information on an annual basis to identify potential fiscal distress within localities across Virginia. Should the Office make a preliminary determination of potential fiscal distress at a locality, we notify the local governing body and chief executive officer of our preliminary determination. Based on a request from the local governing body or chief executive officer, the Office will perform a more detailed review of the locality to determine the extent of any fiscal distress. This detailed review will consider such factors as budget processes, debt, borrowing, expenses and payables, revenues and receivables, staffing, and any other external variables contributing to a locality's financial position. If the Office determines that a locality is experiencing a situation of fiscal distress, we are required to notify the Governor, the Chairs of the House Appropriations and Senate Finance and Appropriations Committees (Money Committees), and the local governing body regarding the specific areas our Office has evaluated and concluded that state assistance, oversight, or targeted intervention may be needed to further assess, help stabilize, or remediate a locality's situation.

Summary of 2019 Annual Monitoring Process

As described in our [2019 Local Government Fiscal Distress Monitoring Report](#) as of April 2020 (2019 Report), the Office completed our ratio analysis based on fiscal year 2018 audited financial statement data for the cities, counties, and towns required to have an audit and annually report to our Office. Based on this analysis, the Office did not identify any new locality as needing further review and follow-up with our questionnaire process. As part of our 2019 Report, the Office also continued our monitoring and review of the City of Bristol. Based on the City of Bristol's continued improvements in our ratio analysis and progress to strengthen its financial position, we concluded that the city is no longer designated in our early warning system as showing signs of being in a situation of fiscal distress that warrants further Commonwealth assistance, oversight, or intervention. The Office again deferred follow-up with the City of Hopewell until the city completes its outstanding audits and financial reporting requirements, which we discuss in further detail at the [Results of 2020-2021 Annual Monitoring Process](#) section of this report.

Lastly, as reported in the 2019 Report, the Office continued its review of the three localities deferred from the previous year's monitoring process. The ratio results for the County of Cumberland and Town of Big Stone Gap continued to show improvement based on the performance of certain financial ratios, and we did not observe any other unexpected or unfavorable qualitative factors. Accordingly, the Office communicated our conclusion that it was no longer necessary for these two localities to complete the financial assessment questionnaire and participate in our formal follow-up review process. We have continued to monitor their ratio trends as part of our current year process based on fiscal years 2019 and 2020 audited financial statement data and did not observe any unfavorable ratio trends or qualitative factors. For the City of Buena Vista, the Office reported in the 2019 report that the city remained mostly consistent in their ratios based on results from the fiscal year 2018 ratio analysis. The Office continued to monitor the city's subsequent ratio trends as part of our annual monitoring process, and we noted new observations and downward trends in the ratio analysis based on fiscal years 2019 and 2020 financial statement data. Accordingly, the Office communicated further with the City of Buena Vista about these results, which we discuss in more detail at the [Results of 2020-2021 Annual Monitoring Process](#) section of this report.

Methodology and Analysis for the Early Warning System Model

During 2018, the Office changed the ratio methodology and overall approach to our fiscal distress monitoring model. The [2018 Local Government Fiscal Distress Monitoring Report](#) provides more information about the Office's considerations when updating the methodology for our ratio model, along with expanded detail about the various enhancements made to each component of our early warning system model. As part of the ratio analysis, we apply a methodology that analyzes each locality's ratio performance on an individual basis and does not compare the ratio results from one locality to

The ratio analysis calculates 12 financial ratios and assigns a points-based evaluation for each ratio result. Overall, a higher number of points for each ratio, and cumulatively for all ratios, indicate the locality is generally showing an unfavorable performance in the ratio analysis.

another. In the ratio model, we calculate 12 financial ratios and assign a points-based evaluation according to each ratio's result. The Office uses a methodology to assign points for each ratio according to how the ratio performs in general at a level of strong, adequate, or weak. Overall, a higher number of points for each ratio, and in total for all ratios combined, indicate the locality is generally showing a weak or unfavorable performance in the ratio analysis. After analyzing each locality's points cumulatively for all ratios, the Office determines whether we need to perform further qualitative analysis on the localities with a high number of points based on our selected threshold of total points for all 12 financial ratios. We also review any trends showing significant increases in total points from year to year. Our selected threshold is based on professional judgment and will vary from year to year as we evaluate the performance of the ratios, along with any other external factors that may affect our analysis. [Appendix A](#) at the end of this report gives additional information on the ratio weighting and points assigned for each ratio based on applicable levels of performance, along with detailed calculations and further descriptions for each ratio.

The second component of our model includes an additional assessment of demographic and other external, qualitative factors as part of our final evaluation to identify whether a locality should participate in our follow-up process. [Appendix D](#) at the end of this report discusses the follow-up review and questionnaire process. As noted above, the qualitative evaluation focuses only on those localities we have identified in the ratio analysis as exceeding our established threshold of total points for all 12 financial ratios. The qualitative analysis reviews trends in demographic factors, such as growth or decline in population, unemployment rate, median household income, poverty rate, and the assessed value of a locality's real estate and personal property. In addition, our qualitative analysis incorporates trends from other local government assessments performed by state entities to meet other monitoring objectives, such as the analyses from the Commission on Local Government and the Virginia Department of Education. Lastly, the qualitative analysis incorporates any external, economic, or other qualitative information that may come to our attention about a specific locality. [Appendix C](#) at the end of this report shows an example of the overall factors included in our qualitative analysis. As part of our model, the Office then applies a qualitative evaluation, instead of a quantitative or numerical score, as the overall measure for making a preliminary determination of potential fiscal distress at a locality and the need to perform additional review. Based on the results of both the ratio and qualitative analyses, we classify each locality into either one of two categories: needs further follow-up through our financial assessment questionnaire and review process **or** does not need any further follow-up for the current monitoring process.

The early warning system model also includes a second component that focuses on an additional assessment of demographic and other qualitative factors as part of the final evaluation to identify whether a locality should participate in our follow-up process.

Results of 2020-2021 Annual Monitoring Process

We combined our annual monitoring processes for 2020 and 2021, simultaneously completing our final calculations and review of the ratio analysis based on fiscal year 2019 and fiscal year 2020 audited financial statement data for the cities, counties, and towns required to have an audit and annually report to our Office. As discussed at the [Methodology and Analysis for the Early Warning System Model](#) section of this report, a component of our ratio analysis is to apply a threshold of total points for all 12 financial ratios to determine whether we need to perform an additional review of a locality in our qualitative analysis. Based on applying our professional judgment during the current year monitoring process, we increased the level of total ratio points from a 40-point threshold to a 45-point threshold as the indicator for performing our further qualitative review. Applying a 45-point threshold represents 36 percent of the total ratio points that all ratios could cumulatively score, which is a maximum of 125 points for all 12 ratios. Accordingly, the Office determined that this 45-point threshold continues to remain a conservative and appropriate evaluation of total ratio points for our analysis. The Office will continue to evaluate the threshold applied each year based on our professional judgment and our analysis over subsequent fiscal year data.

Based on our review and assessment of total points for all localities evaluated in the 2020 and 2021 ratio analyses, we performed our qualitative analysis of applicable localities based on the 45-point threshold. We did not observe any new localities showing unexpected trends in total ratio points or qualitative factors. Accordingly, based on our review of the ratio and qualitative analyses, the Office did not identify any new locality as needing further follow-up with our financial assessment questionnaire and review process. [Appendix B](#) at the end of this report gives a summary of each locality's ratio results for the 12 ratios calculated for the 2020 and 2021 monitoring process, which is based on fiscal years 2019 and 2020 audited financial statement data. [Appendix C](#) at the end of this report shows an example of the overall factors included in our qualitative analysis.

We did not observe any new localities showing unexpected trends in total ratio points or other qualitative factors. Accordingly, the Office did not identify any new locality as needing further follow-up with our financial assessment questionnaire and review process.

The Office continued to monitor localities identified during the 2019 monitoring process. We again qualitatively identified the City of Hopewell as part of our monitoring process, which we discuss in more detail below. Additionally, we continued to monitor the ratio trends for the City of Buena Vista when reviewing fiscal years 2019 and 2020 audited financial statement data as part of our current monitoring process, which we discuss in further detail below. We noted significant downward trends in the ratio analysis for the city; therefore, we contacted the City of Buena Vista and requested to perform additional review through our follow-up process.

City of Hopewell

We continue to qualitatively identify the City of Hopewell as part of our analysis since the city remains delayed in completing its fiscal years 2019 and 2020 annual financial reports. We continue to defer our follow-up process with Hopewell until the city completes its outstanding financial reporting requirements. The City of Hopewell has since completed and submitted both fiscal years 2017 and 2018 audited financial reports. Hopewell officials informed the Office that the city's recurring delay with completing its financial reporting requirements is due to factors related to continual post implementation issues from its new financial system, key finance staff turnover and transition issues, and the impact of the COVID-19 pandemic. In late 2021, our Office received an updated [audit delay notification](#) from Hopewell officials that the city's fiscal year 2019 and 2020 financial audits are still ongoing, with expected completion during 2022. Our Office continues to emphasize that the City of Hopewell's completion of its reporting requirements takes precedence over completing the financial assessment questionnaire for our follow-up process.

While our Office could not evaluate the City of Hopewell's fiscal years 2019 and 2020 financial statement data in the current year analysis, we did complete the ratio analysis based on fiscal years 2017 and 2018 annual financial reports during the current year monitoring process. We did not evaluate the city's fiscal year 2017 and 2018 financial data in the previous years' ratio analyses due to the timing of when the city submitted the reports to our Office after we completed the previous years' monitoring processes. When evaluating the outcome of the 12 financial ratios in our updated analysis, the city received 12.5 total ratio points based on fiscal year 2017 audited financial statement data and 7.50 total ratio points based on fiscal year 2018 audited financial statement data. The

While our Office could not evaluate the City of Hopewell's fiscal years 2019 and 2020 financial statement data in the current year analysis, we did complete the ratio analysis based on fiscal years 2017 and 2018 annual financial reports. The city received 12.5 total ratio points based on fiscal year 2017 data and 7.50 total ratio points based on fiscal year 2018 data.

low number of total ratio points overall indicates favorable ratio performance. The city's total ratio points in both fiscal years result from points received for ratios two, five, and nine. Ratio two measures the city's available, unrestricted reserves on an overall government-wide activity level, and ratios five and nine measure the city's debt by analyzing overall debt levels and annual debt service payments. Appendices [A](#) and [B](#) at the end of this report give additional information about the ratio calculations and points methodology. Once the City of Hopewell completes its outstanding financial reporting requirements, the Office will continue to evaluate the city's data in our ratio and qualitative analyses as part of the 2022 annual monitoring process. We will then evaluate Hopewell's need to complete the financial assessment questionnaire for our follow-up process and notify City Council and management accordingly.

As noted above, after completing our 2020 and 2021 analyses for the City of Buena Vista, the Office noted significant downward trends in the performance of certain ratios compared to the ratio results from the 2019 analysis. As shown in Table 1, when evaluating the outcome of the 12 financial ratios in our analysis, the results of several ratios contributed to the city receiving 71.67 ratio points in total for both the 2020 and 2021 analyses, which is based on fiscal years 2019 and 2020 audited financial statement data. The city received a total of 36.66 ratio points in the 2019 analysis, which is based on fiscal year 2018 audited financial statement data. Appendices [A](#) and [B](#) at the end of this report give additional information about the ratio calculations and points methodology, and a summary of the city's ratio results for the 12 ratios calculated in the 2020 and 2021 monitoring process.

City of Buena Vista Ratio Results

Table 1

	2021 Analysis		2020 Analysis		2019 Analysis	
Ratio 1	(102.67)%	10 points	(95.09)%	10 points	(83.45)%	10 points
Ratio 2	9.60%	5 points	10.05%	5 points	13.51 %	5 points
Ratio 3	(4.27)%	15 points	1.74%	15 points	11.66%	5 points
Ratio 4	(32.54)%	6.67 points	(18.72)%	6.67 points	(10.17)%	3.33 points
Ratio 6	6.66%	10 points	9.94%	10 points	18.20%	0 points
Ratio 7	8.02%	5 points	12.13%	0 points	18.97%	0 points
Ratio 8	100.86%	0 points	99.75%	5 points	104.08%	0 points
Ratio 10	(33.73)%	10 points	(39.54)%	10 points	(12.76)%	3.33 points
Ratio 11	40.02%	5 points	40.15%	5 points	38.15%	5 points
Ratio 12	65.29%	5 points	67.34%	5 points	71.40%	5 points
Total		71.67 points		71.67 points		36.66 points

As reported in the 2019 Report, we reviewed initial information about the golf course enterprise fund that city officials previously shared with our Office, and as further disclosed in the city's annual financial reports. Specifically, the increasing negative results at ratio one and ratio four, and the low and negative results at ratio three, indicate a decrease in the city's available, unrestricted reserves and a decline in net position on an overall government-wide activity level. The low performance of ratios one, three, and four primarily is a result of the significant, negative unrestricted net position in the golf course fund, which correlates to the results of ratio 12 when reviewing the self-sufficiency of the city's business-type enterprise funds. The results of ratio 12 continue to show that the city's golf course enterprise fund is not self-supporting and not adequately recovering the full costs of service through charges for services or other non-transfer revenues. As reported in the city's [fiscal year 2020 annual financial report](#), page 16 of the management's discussion and analysis and page 28 of the proprietary funds statement of net position, since the golf course's inception in 2004, it continues to have an increasing operating loss each year. The continued operating loss has resulted in the golf course fund's total negative net position of \$5,601,892 as of fiscal year 2020.

In addition, the city's general fund has continued to significantly subsidize the golf course with a transfer in of funds each year. As noted in Table 1 above, the 2020 and 2021 analyses show that ratios six and ten received a high level of points, which indicate weaker ratio performance as the city's fund balance reserves are low and continue to decline each year. The city's fund balance decline may be attributed to the general fund's continual support of the golf course operations but also may be related to other operational factors. As reported in the city's fiscal year 2020 annual financial report and [fiscal year 2019 annual financial report](#), page 11 of the management's discussion and analysis, the fund balance decline is attributed to increases in health and welfare expenses in 2019, along with increases in construction expenses related to a new industrial park project and decreases in revenues due to the impact of the COVID-19 pandemic in 2020.

Based on the results of the 2020 and 2021 ratio analyses and the preliminary analysis our Office performed when reviewing the audited financial reports, the Office again formally corresponded in April 2021 with the governing body and management of the city to communicate the city's most recent ratio results noted in the current year monitoring process. We additionally followed up throughout the year with other communication to the city's management. As of the date of this report, our Office continues to await a response from city management to confirm whether they agree to participate in our financial assessment questionnaire and follow-up review process. We understand that the city remains focused currently on managing other priorities due to the pandemic. We will continue to correspond with city management as we review the city's fiscal year 2021 audited financial report and monitor future ratio trends and other qualitative factors as part of the 2022 annual monitoring process.



Commonwealth of Virginia

Auditor of Public Accounts

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April 18, 2022

The Honorable Glenn Youngkin
Governor of Virginia

The Honorable Barry Knight
Chair, House Appropriations Committee

The Honorable Janet Howell
Chair, Senate Finance and Appropriations Committee

The Honorable Stephen Cummings
Secretary of Finance

Joint Legislative Audit
and Review Commission

We are pleased to submit our fourth annual **Local Government Fiscal Distress Monitoring Report**, which describes the results from the legislation directing our Office to establish an early warning system to monitor fiscal distress at Virginia's local governments. This report provides you an overview regarding the legislative requirements and a summary of the Office's current model for the early warning system. This report further provides the results of our most recently completed analyses for the 2020 and 2021 annual monitoring processes, along with a summary of the analysis and results for the Office's 2019 monitoring process.

We would like to express our appreciation to the many individuals whose efforts continue to assist in providing valuable feedback and information, as we perform our monitoring under the early warning system. We also express our appreciation to the various locality officials and staff for their responsiveness and cooperation to our additional inquiries.

Staci A. Henshaw
AUDITOR OF PUBLIC ACCOUNTS

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The following information describes the 12 financial ratios used in our ratio analysis to provide the specific ratio calculations, further interpretation from the Office related to the outcome of each ratio, and the weighting and points assignment for each ratio based on applicable levels of performance.

Ratio	Ratio Calculations	Ratio Description	Ratio Results Interpretation	Assignment of Points Based on Ratio Results
1	Cash and Cash Equivalents + Investments - Current Liabilities/ Charges for Services + General Revenues (Government-wide Activity)	This ratio measures the sufficiency of unrestricted reserves relative to the locality's normal revenue (non-grant revenue). By comparing the locality's unrestricted liquid assets (net of current liabilities) to its normal revenue, we can see the locality's ability to make up a revenue shortfall or utilize unrestricted reserves during an unforeseen situation.	<ul style="list-style-type: none">• A higher ratio percentage suggests a locality is in a desirable position to make up a revenue shortfall or utilize unrestricted reserves during an unforeseen situation.• A lower ratio percentage suggests that a locality may not be in a desirable position to make up a revenue shortfall or utilize unrestricted reserves during an unforeseen situation.• A negative ratio percentage indicates that a locality does not have any unrestricted reserves.	Ratio is weighted at 10% <ul style="list-style-type: none">• Ratio result is negative or less than 5%: 10 points• Ratio result is between 5% and 10%: 6.67 points• Ratio result is between 10% and 15%: 3.33 points• Ratio result is equal to or greater than 15%: 0 points
2	Cash and Cash Equivalents + Investments/ Total (Current and Noncurrent) Liabilities (Government-wide Activity)	This ratio measures the sufficiency of unrestricted reserves relative to the locality's total liabilities. By comparing the locality's unrestricted liquid assets to total liabilities, we can see its ability to pay total liabilities without needing additional revenue. <i>Note: This ratio removes the effect of the pension and other post-employment liabilities.</i>	<ul style="list-style-type: none">• A higher ratio percentage suggests that a locality is in a desirable position to meet its obligations.• A lower ratio percentage suggests that a locality may not be in a desirable position to meet its obligations without obtaining additional revenues.	Ratio is weighted at 5% <ul style="list-style-type: none">• Ratio result is less than 30%: 5 points• Ratio result is between 30% and 60%: 2.5 points• Ratio result is equal to or greater than 60%: 0 points
3	Net Position Unrestricted/ Total Expenses (Government-wide Activity)	This ratio measures the sufficiency of unrestricted reserves relative to the locality's expenses. By comparing the locality's unrestricted net position to its total expenses, we can see to what extent the locality can fund expenses from unrestricted reserves in the event of a revenue shortfall or unforeseen situation. <i>Note: This ratio removes the effect of the pension and other post-employment liabilities.</i>	<ul style="list-style-type: none">• A higher ratio percentage suggests that a locality is in a desirable position to fund expenses from unrestricted reserves in the event of a revenue shortfall or unforeseen situation.• A lower ratio percentage suggests that a locality may not be in a desirable position to fund expenses from unrestricted reserves in the event of a revenue shortfall or unforeseen situation.• A negative ratio percentage indicates that a locality has a deficit unrestricted net position.	Ratio is weighted at 15% <ul style="list-style-type: none">• Ratio result is negative or less than 5%: 15 points• Ratio result is between 5% and 10%: 10 points• Ratio result is between 10% and 15%: 5 points• Ratio result is equal to or greater than 15%: 0 points
4	Change in Net Position (Ending - Beginning)/ Net Position Beginning (Government-wide Activity)	This financial performance ratio shows the magnitude of how the locality's financial position improved or deteriorated as a result of resource flow. The percent change in net position provides the magnitude of how the beginning resource level changed as a result of resource flow during the fiscal year. <i>Note: This ratio removes the effect of the pension and other post-employment liabilities.</i>	The desirable change should be positive rather than negative. <ul style="list-style-type: none">• A positive ratio percentage indicates that a locality's net position has improved from the prior year.• A negative ratio percentage indicates that a locality's net position has declined from the prior year. The higher the percentage decrease indicates a more negative downward trend.	Ratio is weighted at 10% <ul style="list-style-type: none">• Ratio result is negative with a high decrease equal to or greater than (40)%: 10 points• Ratio result is negative with an intermediate decrease between (15)% and (40)%: 6.67 points• Ratio result is negative with a low decrease between (.01)% and (15)%: 3.33 points• Ratio result is positive or no change: 0 points
5	Total Tax Supported Debt/ FMV of Taxable Real Estate + Assessed Value of Tangible Personal Property + Assessed Value of Public Service Corporations (Government-wide Activity)	This ratio reviews a locality's total debt burden by measuring total direct, tax supported debt outstanding for governmental and business-type activities to the locality's fair market value (FMV) of total taxable real estate, plus the assessed values of tangible personal property and public service corporations. We obtain valuation data for the cities and counties from Table 6.2 and Table 6.4 of the Virginia Department of Taxation's Annual Report, as of the most recent tax year. Town data is not published in this annual report; therefore, it is obtained from the town's audited annual financial report, if available.	The Office uses a standard methodology in measuring this ratio comparable to how other professionals examine trends for this ratio, such as the Virginia Resources Authority, International City/County Management Association (ICMA), bond rating agencies, and other state's fiscal monitoring systems. An increase in long-term debt as a percentage of real property valuation can indicate that a locality's ability to repay its obligations is trending negatively. The Office uses the following trends when evaluating this ratio: <ul style="list-style-type: none">• A ratio percentage less than 3% indicates strong performance.• A ratio percentage between 3% and 6% indicates adequate performance.• A ratio percentage equal to or greater than 6% indicates weaker performance.	Ratio is weighted at 10% <ul style="list-style-type: none">• Ratio result is greater than 6%: 10 points• Ratio result is between 3% and 6%: 5 points• Ratio result is less than 3%: 0 points

Ratio	Ratio Calculations	Ratio Description	Ratio Results Interpretation	Assignment of Points Based on Ratio Results
6	Unassigned + Assigned Fund Balances (+ other Committed reserves where applicable)/ Total Expenses (General Fund Activity)	This ratio measures the sufficiency of unrestricted reserves, plus any applicable reserves specifically set aside, relative to the locality's operating expenses. By comparing the locality's fund balance reserves to its operating expenses, we can see to what extent the locality can fund operating expenses from reserves in the event of a revenue shortfall or unforeseen situation.	<ul style="list-style-type: none">• A higher ratio percentage suggests that a locality is in a desirable position to fund expenses from unrestricted reserves in the event of a revenue shortfall or unforeseen situation.• A lower ratio percentage suggests that a locality may not be in a desirable position to fund expenses from unrestricted reserves in the event of a revenue shortfall or unforeseen situation.• A negative ratio percentage indicates that a locality has a deficit unassigned fund balance in its general fund.	Ratio is weighted at 15% <ul style="list-style-type: none">• Ratio result is negative or less than 5%: 15 points• Ratio result is between 5% and 10%: 10 points• Ratio result is between 10% and 15%: 5 points• Ratio result is equal to or greater than 15%: 0 points
7	Total Fund Balance/ Total Revenues (General Fund Activity)	This ratio measures the sufficiency of reserves relative to the locality's general fund revenue. By comparing the locality's reserves to its revenue, we can see to what extent the locality can make up revenue shortfalls with reserves.	<ul style="list-style-type: none">• A higher ratio percentage suggests that a locality is in a desirable position to have sufficient reserves in the event of a revenue shortfall.• A lower ratio percentage suggests that a locality may not be in a desirable position to have sufficient reserves in the event of a revenue shortfall.	Ratio is weighted at 10% <ul style="list-style-type: none">• Ratio result is negative or less than 5%: 10 points• Ratio result is between 5% and 10%: 5 points• Ratio result is equal to or greater than 10%: 0 points
8	Total Revenues/ Total Expenses (General Fund Activity)	This ratio, known as the Service Obligation or Operations Ratio, measures whether a locality's annual revenues were sufficient to pay for annual operations. This ratio does not account for Other Financing Sources, such as Transfers In.	This ratio has a natural benchmark of 100% or higher. A ratio result under 100% means that total operating expenses exceeded total operating revenues in the general fund.	Ratio is weighted at 10% <ul style="list-style-type: none">• Ratio result is less than 60%: 10 points• Ratio result is between 60% and 100%: 5 points• Ratio result is equal to or greater than 100%: 0 points
9	Debt Service Principal and Interest Expenses/ Total Revenues (available to pay the debt service) (General Fund Activity and Debt Service Fund Activity, if applicable)	This ratio measures total debt service expenses divided by total revenues, primarily from the general fund. It also includes any other applicable governmental funds since some localities account for debt service in separate debt service fund or capital project fund outside of the general fund. This ratio identifies the percent of the locality's budget that is used or needed for repayment of debt. An increasing trend of debt service expenses to total revenues may mean the percentage of budget dedicated to debt payments is increasing; and therefore, less revenue will be available for asset repair/ replacement or meeting current service demands. As debt service increases, it adds to a locality's obligations and reduces the locality's expenditure flexibility.	<ul style="list-style-type: none">• A higher ratio percentage suggests that a locality is in an unfavorable position since the locality spends more of its current budget on debt repayment.• A lower ratio percentage suggests that a locality is in a more desirable, favorable position since the locality is spending less of its current budget on debt repayment.	Ratio is weighted at 10% <ul style="list-style-type: none">• Ratio result is equal to or greater than 20%: 10 points• Ratio result is between 10% and 20%: 5 points• Ratio result is equal to or less than 10%: 0 points
10	Change in General Fund Unassigned Fund Balance (Current Year Ending - Prior Year Ending/ Prior Year Ending) (General Fund Activity)	This ratio identifies changes (increases or decreases) in unassigned fund balances from the prior year to the current year and is useful in identifying a locality whose unassigned fund balance is deteriorating over time, and how rapidly it may be decreasing.	<ul style="list-style-type: none">• A positive change indicates a more favorable position since this indicates that unrestricted fund balance is growing.• A negative change could indicate an unfavorable position, particularly over a period of years, as this could indicate the locality is using fund balance reserves due to a fiscal distress situation.	Ratio is weighted at 10% <ul style="list-style-type: none">• Ratio result is negative with a high decrease equal to or greater than (30)%: 10 points• Ratio result is negative with an intermediate decrease between (15)% and (30)%: 6.67 points• Ratio result is negative with a low decrease between (.01)% and (15)%: 3.33 points• Ratio result is positive or no change: 0 points

Ratio	Ratio Calculations	Ratio Description	Ratio Results Interpretation	Assignment of Points Based on Ratio Results
11	Intergovernmental Operating Revenues/ Total Revenues (General Fund Activity)	This ratio looks at a locality's reliance on revenues coming from other governmental revenues, such as grants and aid coming from federal and state. A key factor is also to determine the locality's vulnerability to reductions of such revenues. The external source may withdraw the funds and leave the locality with the dilemma of cutting programs or having to pay for them with general fund resources.	<ul style="list-style-type: none">• A higher ratio percentage indicates that the locality has a higher dependence on revenues coming from other sources outside of the locality's own local revenues and may suggest that a locality is an unfavorable position.• A lower ratio percentage indicates that the locality has a lower dependence on revenues coming from other sources outside of the locality's own local revenues and may suggest that a locality is in a more favorable position.	Ratio is weighted at 10% <ul style="list-style-type: none">• Ratio result is equal to or greater than 50%: 10 points• Ratio result is between 25% and 50%: 5 points• Ratio result is less than 25%: 0 points
12	Proprietary Fund Statements- Enterprise Fund Activity: Change in Net Position - Net Fund Transfers To (From)/ Expenses	This ratio is known as the "Business Type Activity Self Sufficiency" ratio, which measures the percent of business-type enterprise fund(s) expenses that were covered by enterprise fund(s) non-transfer revenues. If a locality has an enterprise fund that is not self-sufficient and not self-supporting but continues to rely on general fund transfers to support the enterprise fund, this could be a sign of distress. While this ratio shows coverage in total for all enterprise funds (as applicable), an important factor to consider is whether any transfers or loans were required for individual enterprise funds. <i>Note: This ratio is calculated only for localities that have enterprise funds.</i>	<ul style="list-style-type: none">• A ratio result of 100% or greater indicates that enterprise fund activities as a whole were successful in recovering the full costs of service through charges for services or other revenues.• A ratio result of less than 100% indicates that the enterprise fund activities had to borrow from the past (by spending down assets or fund balance), borrow from the future (by increasing liabilities), or be subsidized by governmental funds through transfers, such as transfers from the general fund.	Ratio is weighted at 10% <ul style="list-style-type: none">• Ratio result is between 1% and 50%: 10 points• Ratio result is between 50% and 100%: 5 points• Ratio result is equal to or greater than 100%: 0 points

The information in this Appendix provides a summary of the 2020 and 2021 financial ratio analyses based on data obtained from the localities’ audited annual financial reports. Ratio results are included in summary detail below for the cities, counties, and towns required by statute to have an annual audit and report to our Office. The 2020 ratio results are based on fiscal year 2019 data and the 2021 ratio results are based on fiscal year 2020 data.

2020 Ratio Analysis

Locality Name	Ratio 1 Result	Ratio 2 Result	Ratio 3 Result	Ratio 4 Result	Ratio 5 Result	Ratio 6 Result	Ratio 7 Result	Ratio 8 Result	Ratio 9 Result	Ratio 10 Result	Ratio 11 Result	Ratio 12 Result ²
City of Alexandria	51.76%	70.49%	35.71%	12.58%	1.60%	21.06%	19.24%	117.71%	9.35%	10.34%	7.54%	N/A
City of Bristol	24.22%	15.12%	16.61%	34.56%	8.35%	31.13%	33.92%	108.31%	6.07%	15.06%	40.15%	61.77%
City of Buena Vista	(95.09)%	10.05%	1.74%	(18.72)%	0.99%	9.94%	12.13%	99.75%	6.14%	(39.54)%	40.15%	67.34%
City of Charlottesville	29.30%	62.58%	48.59%	5.84%	1.90%	31.72%	27.28%	117.10%	5.80%	9.08%	16.67%	119.98%
City of Chesapeake	45.87%	50.10%	52.38%	5.86%	1.15%	24.01%	41.93%	118.31%	6.74%	3.99%	15.83%	110.95%
City of Colonial Heights	12.30%	30.74%	35.47%	8.64%	2.48%	22.82%	22.98%	105.69%	6.23%	14.10%	14.26%	110.40%
City of Covington	23.08%	18.09%	23.53%	12.42%	4.12%	23.07%	25.38%	97.27%	11.54%	(4.18)%	23.94%	122.10%
City of Danville	32.05%	90.00%	57.86%	(2.05)%	3.59%	38.51%	44.21%	93.28%	5.57%	4.11%	21.31%	110.30%
City of Emporia	53.70%	39.86%	70.05%	2.11%	1.02%	68.81%	68.86%	99.94%	4.78%	12.54%	26.98%	103.70%
City of Fairfax	17.89%	30.44%	29.22%	25.88%	1.72%	15.11%	23.75%	110.38%	9.40%	(1.36)%	8.21%	105.42%
City of Falls Church	30.66%	48.20%	57.17%	10.72%	1.80%	24.31%	36.87%	105.67%	8.91%	0.52%	5.14%	136.22%
City of Franklin	25.05%	71.78%	35.91%	13.68%	2.54%	24.53%	27.31%	106.92%	8.68%	14.96%	21.32%	120.14%
City of Fredericksburg	61.66%	64.66%	63.74%	24.09%	2.56%	25.05%	29.36%	119.33%	8.91%	7.68%	9.89%	153.76%
City of Galax	(0.90)%	21.01%	24.08%	12.85%	2.52%	16.17%	21.33%	80.49%	3.86%	9.17%	30.31%	127.21%
City of Hampton	48.14%	60.12%	39.25%	3.70%	2.18%	30.04%	30.31%	126.62%	9.20%	21.49%	19.47%	91.22%
City of Harrisonburg	37.70%	42.48%	46.65%	4.51%	3.95%	30.22%	31.01%	101.49%	13.45%	(2.17)%	9.24%	127.83%
City of Hopewell	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
City of Lexington	67.24%	54.05%	83.10%	12.14%	4.97%	55.92%	56.03%	114.29%	11.14%	7.87%	15.89%	123.91%
City of Lynchburg	33.25%	26.89%	41.61%	8.94%	4.58%	21.43%	36.02%	105.94%	9.45%	0.57%	19.69%	134.70%
City of Manassas	57.46%	83.13%	80.48%	7.25%	2.98%	33.38%	32.22%	113.93%	6.33%	5.68%	10.19%	119.53%
City of Manassas Park	2.75%	13.32%	31.84%	15.82%	5.87%	17.81%	14.02%	131.47%	24.96%	7.34%	12.49%	121.09%
City of Martinsville	21.24%	39.43%	35.62%	15.76%	1.50%	13.17%	19.96%	95.05%	4.54%	(7.06)%	32.78%	114.82%
City of Newport News	8.09%	28.90%	15.07%	14.65%	2.84%	22.76%	20.14%	115.16%	11.36%	16.92%	9.91%	139.85%
City of Norfolk	15.15%	19.19%	43.18%	8.39%	5.10%	24.44%	23.56%	111.17%	12.72%	7.82%	21.13%	155.45%
City of Norton	16.47%	38.38%	29.48%	8.40%	5.79%	28.30%	31.27%	105.94%	1.70%	25.70%	21.65%	107.88%
City of Petersburg	(8.87)%	20.56%	33.10%	26.21%	2.23%	11.38%	25.05%	107.36%	7.17%	187.51%	26.80%	98.55%
City of Poquoson	13.51%	18.87%	30.66%	11.03%	2.65%	21.72%	28.51%	114.53%	13.58%	0.86%	15.54%	135.33%
City of Portsmouth	28.44%	25.96%	8.47%	10.06%	6.67%	34.19%	30.75%	123.08%	16.51%	8.37%	17.24%	144.28%
City of Radford	17.23%	48.53%	21.01%	1.13%	2.17%	9.90%	24.19%	83.92%	7.71%	(16.31)%	27.15%	117.24%
City of Richmond	11.28%	21.50%	34.40%	15.80%	3.36%	24.78%	21.39%	115.95%	9.97%	2.83%	11.62%	122.79%
City of Roanoke	5.28%	28.00%	15.14%	13.00%	2.30%	14.47%	14.86%	109.82%	8.88%	13.23%	24.59%	98.04%
City of Salem	55.49%	103.41%	77.22%	11.29%	2.81%	48.07%	51.56%	112.35%	4.97%	13.36%	15.87%	120.51%
City of Staunton	61.60%	51.38%	76.55%	6.60%	3.39%	31.21%	26.99%	118.19%	6.12%	0.53%	22.99%	113.27%
City of Suffolk	57.98%	26.30%	59.57%	(4.69)%	4.09%	41.52%	36.95%	121.28%	13.11%	13.06%	12.53%	100.96%
City of Virginia Beach	32.30%	48.78%	55.29%	2.18%	1.43%	19.42%	19.84%	113.21%	8.12%	6.13%	16.00%	114.39%
City of Waynesboro	50.68%	53.53%	43.41%	(4.99)%	2.22%	12.00%	31.72%	110.45%	6.76%	(75.41)%	18.85%	114.54%
City of Williamsburg	61.72%	134.03%	80.87%	6.71%	1.13%	43.76%	38.51%	113.87%	4.28%	10.53%	14.04%	122.91%
City of Winchester	2.97%	13.76%	29.00%	5.27%	2.89%	31.05%	30.67%	104.99%	12.21%	11.23%	8.19%	121.09%
County of Accomack	42.49%	76.18%	28.93%	19.33%	0.59%	56.76%	49.36%	115.76%	7.55%	139.29%	17.65%	136.39%
County of Albemarle	22.10%	45.55%	32.51%	27.64%	0.95%	20.29%	18.94%	113.94%	8.14%	(0.08)%	12.01%	N/A
County of Alleghany	15.45%	31.97%	28.62%	(0.13)%	0.36%	19.77%	32.74%	85.12%	5.90%	(1.86)%	35.13%	96.33%
County of Amelia	39.90%	131.09%	78.97%	8.25%	0.21%	49.05%	52.15%	106.71%	3.16%	18.32%	27.54%	53.75%
County of Amherst	57.19%	57.07%	37.84%	0.58%	0.45%	31.95%	33.98%	102.73%	7.83%	(15.24)%	20.12%	101.88%
County of Appomattox	77.35%	76.85%	81.10%	21.27%	1.11%	65.80%	61.60%	107.44%	13.08%	6.91%	30.09%	41.68%
County of Arlington	39.01%	50.14%	59.43%	9.77%	1.72%	17.48%	17.95%	98.15%	5.21%	(12.75)%	7.25%	120.99%
County of Augusta	36.69%	58.23%	48.89%	14.84%	0.99%	16.37%	18.38%	126.58%	9.04%	11.65%	12.38%	N/A
County of Bath	50.12%	252.79%	52.37%	8.81%	0.13%	49.09%	50.05%	99.29%	6.90%	(0.97)%	10.59%	N/A
County of Bedford	63.25%	70.32%	65.87%	4.68%	0.82%	50.29%	80.54%	97.38%	8.40%	6.47%	22.00%	94.11%
County of Bland	61.32%	45.11%	64.77%	6.85%	0.37%	61.29%	59.34%	112.13%	2.18%	3.00%	30.87%	78.17%
County of Botetourt	36.32%	49.51%	29.12%	16.85%	1.24%	39.53%	73.62%	100.32%	6.93%	5.00%	18.83%	N/A
County of Brunswick	58.81%	83.39%	42.63%	8.27%	0.56%	69.18%	65.85%	110.66%	9.69%	(2.00)%	17.33%	N/A
County of Buchanan	39.72%	205.88%	49.09%	9.53%	0.07%	41.49%	58.14%	88.88%	3.47%	1.53%	32.55%	N/A
County of Buckingham	50.81%	35.67%	63.81%	3.57%	1.21%	51.28%	49.58%	121.33%	15.17%	13.00%	21.82%	92.72%
County of Campbell	44.40%	98.31%	44.71%	(3.46)%	0.62%	30.02%	38.17%	104.00%	5.83%	(6.42)%	24.06%	N/A
County of Caroline	20.18%	17.91%	44.55%	14.05%	2.01%	44.88%	44.78%	123.30%	15.32%	(6.71)%	10.57%	70.25%
County of Carroll	1.99%	20.79%	32.07%	7.57%	1.06%	20.39%	21.91%	100.74%	11.70%	9.44%	26.71%	N/A
County of Charles City	49.87%	193.61%	54.73%	15.30%	0.23%	34.86%	51.54%	98.21%	2.68%	11.39%	16.54%	18.79%
County of Charlotte	37.52%	30.87%	25.83%	(25.00)%	1.57%	41.78%	42.03%	99.41%	6.34%	(24.09)%	38.54%	N/A
County of Chesterfield	92.02%	137.64%	82.48%	8.35%	1.16%	54.00%	52.38%	110.27%	9.55%	5.00%	13.62%	178.00%
County of Clarke	23.73%	33.54%	29.82%	(25.58)%	1.12%	42.02%	37.02%	116.33%	10.76%	(30.19)%	15.58%	N/A
County of Craig	50.38%	116.98%	69.38%	15.24%	0.26%	62.19%	56.58%	110.34%	6.91%	29.94%	36.29%	N/A
County of Culpeper	31.49%	48.11%	39.48%	3.34%	1.16%	37.10%	38.33%	110.05%	8.70%	1.13%	19.81%	59.96%
County of Cumberland	10.91%	15.27%	33.09%	0.39%	2.53%	30.54%	31.44%	97.12%	16.98%	(9.12)%	32.51%	58.07%
County of Dickenson	96.50%	119.59%	29.01%	4.71%	0.60%	26.65%	29.81%	102.16%	6.50%	11.24%	33.73%	N/A
County of Dinwiddie	24.92%	28.40%	45.62%	7.61%	2.34%	41.72%	34.74%	126.41%	11.50%	15.52%	18.51%	N/A

Locality Name	Ratio 1 Result	Ratio 2 Result	Ratio 3 Result	Ratio 4 Result	Ratio 5 Result	Ratio 6 Result	Ratio 7 Result	Ratio 8 Result	Ratio 9 Result	Ratio 10 Result	Ratio 11 Result	Ratio 12 Result ²
County of Essex	19.87%	27.51%	30.89%	3.63%	1.71%	33.43%	27.50%	121.55%	17.17%	6.08%	23.35%	N/A
County of Fairfax	24.35%	40.10%	12.56%	8.68%	1.25%	19.58%	12.30%	117.60%	8.83%	(19.83)%	8.25%	125.57%
County of Fauquier	18.26%	45.42%	24.28%	10.04%	0.47%	18.53%	17.19%	115.23%	6.37%	11.03%	16.10%	88.24%
County of Floyd	33.44%	50.25%	44.64%	(0.16)%	0.79%	42.02%	76.63%	93.45%	15.35%	(2.39)%	24.31%	N/A
County of Fluvanna	23.42%	19.80%	52.05%	4.22%	2.68%	34.73%	41.51%	109.13%	17.43%	14.45%	18.64%	71.46%
County of Franklin	31.22%	43.95%	27.21%	7.73%	0.75%	30.23%	27.96%	110.34%	6.61%	13.51%	22.78%	65.87%
County of Frederick	46.03%	58.65%	41.57%	(12.58)%	1.42%	27.44%	34.24%	112.90%	9.58%	(5.47)%	13.77%	123.34%
County of Giles	0.23%	11.90%	13.55%	(57.36)%	1.63%	9.59%	9.55%	108.38%	2.93%	31.91%	29.00%	42.50%
County of Gloucester	28.44%	57.73%	39.36%	0.84%	0.68%	37.39%	37.06%	113.16%	6.96%	(0.93)%	14.28%	110.48%
County of Goochland	76.42%	44.38%	43.38%	6.10%	0.11%	62.71%	60.91%	113.29%	5.86%	1.18%	13.72%	104.56%
County of Grayson	32.35%	40.77%	42.02%	(1.77)%	0.83%	28.81%	34.35%	96.03%	9.09%	1.89%	30.64%	77.33%
County of Greene	(24.38)%	17.78%	18.69%	7.47%	2.41%	13.40%	43.52%	98.19%	8.14%	(38.94)%	19.32%	N/A
County of Greenville	69.04%	43.47%	77.94%	23.79%	1.53%	60.26%	51.57%	124.54%	9.58%	48.09%	19.35%	242.17%
County of Halifax	38.36%	43.48%	61.18%	26.26%	1.23%	69.64%	62.07%	114.68%	14.51%	29.74%	14.13%	N/A
County of Hanover	30.73%	61.56%	39.31%	4.23%	0.88%	25.70%	22.70%	116.70%	7.98%	7.68%	13.64%	127.62%
County of Henrico	62.28%	68.55%	27.71%	5.56%	1.12%	31.97%	32.79%	124.77%	7.87%	4.24%	16.60%	125.09%
County of Henry	75.75%	48.04%	110.92%	34.27%	2.48%	64.18%	165.56%	101.34%	11.97%	22.81%	18.28%	83.04%
County of Highland	103.93%	910.81%	85.42%	0.51%	0.00%	70.78%	79.91%	107.70%	0.00%	4.35%	23.83%	99.18%
County of Isle of Wight	28.83%	23.83%	45.98%	106.14%	2.97%	29.06%	32.25%	112.17%	15.39%	2.05%	9.75%	74.85%
County of James City	42.50%	63.58%	59.42%	6.60%	1.10%	28.21%	22.56%	125.74%	9.89%	5.23%	13.35%	152.16%
County of King & Queen	197.98%	4588.26%	209.53%	11.00%	0.00%	121.38%	144.66%	120.09%	0.00%	11.93%	23.12%	97.96%
County of King George	77.14%	51.37%	86.22%	7.01%	2.23%	45.06%	58.76%	92.03%	14.34%	3.59%	17.51%	95.18%
County of King William	12.05%	25.14%	(14.35)%	(35.77)%	1.67%	26.58%	27.71%	118.11%	22.77%	(43.62)%	17.36%	N/A
County of Lancaster	10.21%	48.74%	29.87%	22.94%	0.29%	6.97%	7.63%	92.02%	6.63%	(41.02)%	21.07%	48.39%
County of Lee	37.78%	103.86%	36.76%	(4.86)%	0.34%	25.35%	37.57%	93.58%	3.89%	(15.36)%	49.16%	N/A
County of Loudoun	62.48%	67.97%	17.59%	5.97%	1.34%	24.98%	22.52%	122.64%	10.98%	(10.59)%	5.93%	N/A
County of Louisa	89.14%	101.13%	86.70%	7.25%	0.83%	73.86%	66.55%	111.48%	6.30%	(38.28)%	12.62%	N/A
County of Lunenburg	86.99%	99.86%	85.63%	7.06%	0.88%	76.07%	79.00%	114.82%	11.70%	9.31%	37.79%	N/A
County of Madison	59.62%	143.47%	61.06%	5.48%	0.51%	60.02%	58.23%	107.20%	5.25%	8.31%	23.51%	N/A
County of Mathews	39.68%	198.12%	46.25%	7.29%	0.16%	35.14%	41.99%	99.90%	5.93%	2.82%	22.64%	N/A
County of Mecklenburg	72.78%	64.31%	77.20%	11.66%	1.54%	15.29%	17.45%	117.23%	3.99%	60.65%	7.34%	N/A
County of Middlesex	33.79%	44.21%	52.47%	0.01%	0.83%	36.89%	36.98%	100.77%	10.98%	(15.77)%	18.14%	N/A
County of Montgomery	31.26%	38.92%	55.54%	11.01%	1.82%	38.72%	44.34%	111.96%	16.75%	33.27%	15.32%	N/A
County of Nelson	63.68%	98.52%	95.56%	12.98%	0.81%	83.60%	74.78%	112.37%	8.34%	11.02%	22.81%	60.28%
County of New Kent	68.80%	60.53%	95.18%	4.73%	1.59%	30.26%	23.50%	138.80%	12.85%	7.91%	12.98%	103.62%
County of Northampton	52.80%	64.88%	46.33%	6.80%	1.12%	51.12%	40.21%	127.13%	17.43%	11.26%	13.62%	134.55%
County of Northumberland	21.66%	23.85%	25.24%	6.58%	0.98%	24.04%	23.37%	102.90%	7.44%	2.57%	16.11%	59.46%
County of Nottoway	143.35%	270.36%	114.62%	0.53%	0.17%	112.88%	110.02%	111.01%	2.66%	10.60%	30.57%	N/A
County of Orange	34.71%	35.36%	45.95%	10.27%	1.91%	49.59%	36.92%	134.68%	14.91%	5.19%	13.76%	21.54%
County of Page	17.37%	20.41%	(7.54)%	23.44%	2.30%	34.42%	31.72%	108.49%	14.85%	19.81%	16.99%	N/A
County of Patrick	16.46%	15.70%	28.57%	(0.03)%	1.96%	25.31%	23.96%	108.00%	7.10%	3.18%	26.75%	31.01%
County of Pittsylvania	21.69%	34.13%	36.00%	16.60%	1.36%	32.95%	35.08%	101.05%	15.47%	8.59%	29.14%	140.28%
County of Powhatan	18.54%	16.06%	35.69%	(4.08)%	2.73%	31.77%	28.92%	109.86%	15.71%	3.48%	15.01%	105.69%
County of Prince Edward	34.14%	50.01%	19.25%	61.50%	0.27%	34.30%	38.28%	90.40%	2.56%	(22.53)%	26.59%	55.50%
County of Prince George	44.36%	60.10%	59.03%	10.63%	1.80%	49.43%	40.16%	123.07%	13.47%	5.23%	20.18%	128.80%
County of Prince William	44.21%	59.53%	10.39%	15.67%	1.42%	14.49%	16.77%	101.72%	12.54%	6.37%	13.96%	122.56%
County of Pulaski	17.66%	32.20%	52.54%	23.48%	2.10%	35.23%	33.08%	111.68%	11.23%	18.03%	26.01%	N/A
County of Rappahannock	29.43%	111.96%	23.04%	13.45%	0.09%	24.15%	23.55%	102.57%	2.59%	7.73%	21.30%	N/A
County of Richmond	(6.77)%	9.94%	4.64%	16.39%	1.79%	6.82%	7.47%	92.85%	10.45%	(9.55)%	25.27%	N/A
County of Roanoke	21.39%	36.43%	13.87%	(8.88)%	1.87%	13.83%	17.17%	112.61%	8.73%	5.51%	17.01%	N/A
County of Rockbridge	35.46%	32.04%	54.42%	(2.96)%	1.90%	59.04%	57.87%	103.35%	11.15%	5.81%	12.97%	81.85%
County of Rockingham	26.68%	41.53%	37.71%	11.82%	0.84%	18.93%	21.48%	106.01%	8.48%	(7.59)%	13.79%	121.28%
County of Russell	14.18%	38.66%	30.63%	35.61%	0.42%	17.46%	19.09%	96.66%	6.26%	(17.41)%	36.87%	31.84%
County of Scott	9.24%	97.07%	8.48%	(11.32)%	0.00%	15.01%	12.00%	125.11%	1.23%	(15.13)%	34.32%	N/A
County of Shenandoah	30.94%	45.56%	18.94%	15.46%	0.95%	21.87%	27.82%	107.84%	8.93%	(7.68)%	18.24%	77.94%
County of Smyth	17.94%	22.60%	31.96%	1.69%	2.80%	26.05%	30.40%	100.85%	11.23%	18.56%	32.76%	86.31%
County of Southampton	3.67%	11.92%	22.93%	8.88%	1.72%	27.47%	23.82%	115.32%	3.00%	21.25%	21.92%	28.87%
County of Spotsylvania	50.05%	47.91%	51.91%	19.45%	1.82%	32.27%	35.19%	97.66%	14.05%	(23.23)%	16.14%	140.29%
County of Stafford	34.23%	38.53%	32.40%	8.90%	1.95%	26.02%	30.98%	105.70%	14.74%	4.50%	10.08%	141.98%
County of Surry	56.92%	70.44%	62.30%	6.47%	0.76%	80.69%	74.41%	107.17%	7.00%	(17.91)%	12.24%	36.42%
County of Sussex	37.80%	62.15%	50.96%	10.73%	1.18%	38.30%	33.05%	117.17%	6.19%	49.56%	22.10%	N/A
County of Tazewell	9.35%	28.10%	11.95%	14.51%	0.45%	20.20%	20.02%	110.51%	3.92%	13.14%	32.38%	19.40%
County of Warren	22.73%	18.11%	49.69%	12.03%	2.31%	15.03%	24.27%	97.64%	15.02%	(11.34)%	17.86%	N/A
County of Washington	28.98%	89.24%	39.11%	26.84%	0.44%	34.40%	33.51%	104.17%	4.70%	17.91%	22.01%	N/A
County of Westmoreland	46.34%	50.35%	50.25%	4.88%	0.34%	34.51%	43.91%	94.58%	5.01%	(4.47)%	23.82%	88.87%
County of Wise	25.47%	37.67%	45.36%	20.91%	1.31%	36.21%	50.69%	110.88%	0.20%	4.79%	34.74%	13.91%
County of Wythe	121.22%	66.66%	149.91%	1.52%	1.56%	74.33%	102.19%	78.57%	9.76%	(13.29)%	26.51%	81.81%
County of York	37.17%	63.62%	47.41%	3.05%	0.97%	25.70%	22.79%	120.04%	7.48%	3.11%	9.77%	92.94%
Town of Abingdon	26.89%	42.66%	48.80%	7.09%	0.75%	27.71%	34.69%	88.93%	4.35%	0.03%	33.63%	107.97%
Town of Ashland	77.28%	77.78%	77.72%	3.36%	0.92%	61.03%	52.14%	117.05%	6.28%	(0.84)%	24.83%	N/A
Town of Bedford	38.46%	74.30%	51.52%	9.02%	2.31%	29.37%	81.68%	90.94%	10.77%	59.99%	23.95%	117.01%
Town of Berryville ¹	197.60%	112.53%	187.33%	0.11%	N/A	105.12%	99.83%	114.76%	2.98%	10.75%	24.70%	82.56%

Locality Name	Ratio 1 Result	Ratio 2 Result	Ratio 3 Result	Ratio 4 Result	Ratio 5 Result	Ratio 6 Result	Ratio 7 Result	Ratio 8 Result	Ratio 9 Result	Ratio 10 Result	Ratio 11 Result	Ratio 12 Result ²
Town of Big Stone Gap	23.35%	23.43%	52.82%	9.56%	2.02%	10.46%	46.07%	92.23%	2.71%	148.97%	39.40%	133.02%
Town of Blacksburg	30.66%	69.90%	58.40%	2.91%	0.77%	24.34%	21.62%	127.92%	7.40%	27.79%	13.40%	96.82%
Town of Blackstone	34.49%	48.31%	57.64%	8.24%	0.00%	2.63%	3.63%	96.61%	1.01%	(4.75)%	28.55%	120.59%
Town of Bluefield	50.08%	71.37%	56.41%	16.99%	1.12%	71.17%	66.91%	106.37%	7.41%	(9.73)%	23.05%	102.08%
Town of Bridgewater	(11.34)%	10.50%	6.75%	7.04%	1.16%	9.40%	13.63%	68.91%	10.03%	50.88%	33.51%	122.28%
Town of Broadway ¹	4.69%	6.97%	28.73%	4.65%	N/A	22.66%	21.15%	110.27%	1.33%	3533.00%	30.66%	111.46%
Town of Christiansburg	76.88%	158.27%	94.32%	8.05%	0.68%	140.87%	115.92%	122.04%	3.34%	7.64%	17.09%	134.57%
Town of Clifton Forge	43.75%	49.28%	52.92%	0.07%	0.26%	0.95%	1.73%	95.02%	3.88%	(83.67)%	45.08%	102.94%
Town of Colonial Beach ¹	16.49%	19.86%	43.56%	2.63%	N/A	33.76%	31.88%	107.24%	8.91%	46.07%	16.85%	114.07%
Town of Culpeper	74.88%	79.92%	102.66%	9.19%	2.08%	74.42%	77.04%	98.91%	8.83%	(31.39)%	14.97%	150.90%
Town of Dumfries	64.02%	42.42%	85.93%	13.18%	2.04%	76.84%	82.01%	102.94%	14.16%	3.95%	13.44%	N/A
Town of Farmville ¹	3.45%	23.56%	26.09%	19.98%	N/A	5.33%	31.80%	87.62%	15.55%	(74.32)%	11.97%	190.07%
Town of Front Royal	85.56%	74.77%	96.70%	1.38%	0.00%	47.48%	81.75%	83.59%	0.00%	5.21%	53.94%	121.24%
Town of Herndon	76.29%	124.73%	81.53%	2.59%	0.47%	47.12%	45.15%	105.72%	4.98%	3.34%	12.24%	100.79%
Town of Leesburg	60.79%	54.11%	74.68%	4.40%	1.41%	43.76%	45.08%	101.34%	13.74%	(19.90)%	26.38%	145.03%
Town of Luray	25.09%	33.53%	49.39%	22.65%	2.28%	28.56%	32.08%	91.52%	4.62%	(22.95)%	53.88%	102.98%
Town of Marion	(24.48)%	13.02%	14.11%	6.85%	1.47%	3.53%	4.95%	87.96%	8.56%	140.85%	29.75%	175.73%
Town of Orange	24.61%	21.96%	45.72%	1.45%	0.82%	74.79%	69.77%	108.05%	3.20%	8.76%	29.56%	99.37%
Town of Pulaski	5.36%	35.46%	10.89%	17.97%	1.35%	10.07%	11.70%	92.79%	8.44%	(38.54)%	34.07%	104.77%
Town of Purcellville	113.13%	37.30%	122.74%	3.20%	3.66%	65.24%	65.13%	109.89%	12.05%	21.69%	11.59%	115.74%
Town of Richlands	26.63%	134.27%	45.08%	(0.13)%	0.55%	(3.44)%	3.40%	94.10%	0.14%	(212.24)%	20.33%	102.81%
Town of Rocky Mount	94.77%	141.36%	115.96%	0.88%	0.31%	123.71%	114.88%	108.73%	4.91%	6.14%	27.81%	96.32%
Town of Smithfield	90.72%	134.82%	119.16%	5.14%	0.57%	65.88%	90.22%	91.28%	11.16%	(8.09)%	16.53%	138.58%
Town of South Boston	54.13%	47.12%	36.01%	24.39%	1.96%	80.67%	93.53%	92.03%	27.60%	(1.72)%	26.51%	N/A
Town of South Hill	189.18%	1155.79%	198.27%	5.64%	0.00%	254.17%	197.56%	128.65%	1.05%	12.63%	19.64%	118.64%
Town of Strasburg	53.83%	25.78%	84.20%	2.66%	2.01%	34.57%	63.39%	99.21%	5.24%	(18.71)%	13.44%	99.62%
Town of Tazewell	(27.85)%	6.81%	2.69%	0.68%	1.00%	(0.58)%	1.98%	90.67%	1.19%	(543.12)%	26.74%	105.63%
Town of Vienna	34.07%	61.18%	44.54%	0.78%	0.52%	25.78%	35.44%	95.59%	14.72%	5.91%	14.19%	120.59%
Town of Vinton	36.53%	60.10%	51.29%	6.75%	0.71%	37.10%	44.12%	106.60%	5.79%	9.13%	21.33%	99.43%
Town of Warrenton	87.35%	88.95%	91.21%	0.32%	1.05%	77.63%	85.24%	101.69%	4.67%	6.58%	22.85%	107.76%
Town of West Point	70.73%	107.19%	78.29%	6.29%	1.78%	59.68%	66.69%	97.56%	5.96%	2.51%	9.48%	153.48%
Town of Wise	106.43%	352.82%	130.65%	5.15%	0.77%	191.28%	172.60%	127.96%	0.00%	3.59%	19.54%	111.97%
Town of Woodstock	45.36%	26.23%	58.01%	2.46%	1.54%	49.73%	64.05%	85.42%	3.48%	(0.47)%	18.54%	112.49%
Town of Wytheville	54.61%	54.39%	57.62%	(5.85)%	2.18%	40.83%	82.71%	79.83%	6.64%	(6.22)%	25.46%	91.08%

¹ Ratio five was not calculated for the Towns of Berryville, Broadway, Colonial Beach, and Farmville because their valuation data for real estate, personal property, and public service corporations was not readily available for our analysis.

² Ratio 12 results are noted as N/A for applicable localities that do not have enterprise funds.

2021 Ratio Analysis

Locality Name	Ratio 1 Result	Ratio 2 Result	Ratio 3 Result	Ratio 4 Result	Ratio 5 Result	Ratio 6 Result	Ratio 7 Result	Ratio 8 Result	Ratio 9 Result	Ratio 10 Result	Ratio 11 Result	Ratio 12 Result ²
City of Alexandria	70.54%	76.15%	37.75%	2.53%	2.00%	22.40%	20.94%	115.63%	9.01%	5.30%	7.80%	N/A
City of Bristol	32.87%	17.99%	23.33%	5.82%	8.10%	34.76%	40.99%	102.00%	8.48%	7.21%	36.32%	86.34%
City of Buena Vista	(102.67)%	9.60%	(4.27)%	(32.54)%	0.92%	6.66%	8.02%	100.86%	5.78%	(33.73)%	40.02%	65.29%
City of Charlottesville	25.54%	63.43%	40.84%	2.23%	1.61%	30.55%	26.72%	115.59%	6.09%	(2.19)%	15.78%	119.62%
City of Chesapeake	49.20%	45.88%	37.56%	2.01%	1.21%	24.41%	45.23%	117.36%	6.25%	2.38%	16.06%	110.08%
City of Colonial Heights	13.64%	34.12%	40.13%	11.27%	2.08%	23.76%	18.63%	105.12%	6.54%	3.17%	14.08%	101.54%
City of Covington	30.47%	23.21%	25.69%	12.61%	3.76%	30.15%	30.76%	103.39%	11.37%	24.94%	24.09%	109.50%
City of Danville	26.70%	75.84%	54.00%	(0.59)%	3.77%	38.11%	46.34%	93.35%	5.89%	6.11%	21.03%	106.82%
City of Emporia	70.58%	47.46%	66.44%	(3.56)%	1.25%	64.09%	66.66%	96.15%	3.53%	(2.20)%	26.32%	105.87%
City of Fairfax	17.85%	26.92%	32.87%	(2.08)%	1.66%	14.72%	24.00%	106.53%	9.87%	0.43%	8.58%	109.77%
City of Falls Church	7.18%	26.59%	53.73%	11.76%	4.53%	22.82%	36.00%	103.57%	9.25%	6.77%	5.52%	182.48%
City of Franklin	51.14%	88.51%	31.72%	10.74%	3.68%	32.94%	35.18%	113.46%	4.57%	35.99%	19.81%	116.94%
City of Fredericksburg	57.72%	64.82%	66.18%	(0.25)%	2.36%	26.08%	29.80%	113.16%	10.00%	(3.33)%	10.16%	127.57%
City of Galax	(7.85)%	15.80%	22.07%	10.02%	3.81%	11.89%	17.21%	74.60%	4.36%	(10.23)%	36.21%	143.29%
City of Hampton	66.58%	70.34%	38.95%	3.59%	2.48%	31.18%	32.06%	125.92%	9.57%	7.58%	19.65%	90.49%
City of Harrisonburg	40.79%	44.37%	51.32%	3.17%	3.98%	33.00%	33.31%	102.49%	13.50%	19.86%	12.01%	126.44%
City of Hopewell	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
City of Lexington	78.39%	64.15%	100.72%	8.08%	4.80%	64.68%	66.93%	113.42%	11.65%	10.51%	14.17%	111.41%
City of Lynchburg	40.30%	32.05%	35.78%	7.98%	4.15%	24.08%	31.94%	103.99%	12.52%	17.76%	19.76%	134.83%
City of Manassas	67.58%	102.81%	93.31%	8.37%	2.73%	45.99%	41.10%	120.77%	6.34%	44.97%	12.16%	128.13%
City of Manassas Park	9.65%	18.58%	39.73%	17.05%	5.43%	23.96%	18.54%	131.97%	22.68%	39.84%	12.58%	123.63%
City of Martinsville	21.65%	46.16%	44.43%	4.22%	1.28%	15.10%	21.37%	99.58%	4.36%	14.02%	34.45%	113.65%
City of Newport News	12.52%	24.92%	(32.03)%	9.96%	2.42%	23.25%	20.61%	115.05%	11.61%	6.19%	10.01%	151.08%
City of Norfolk	19.68%	22.37%	40.51%	3.45%	4.95%	24.75%	24.07%	112.37%	13.16%	(1.98)%	21.20%	158.66%
City of Norton	10.55%	33.74%	26.34%	0.15%	5.34%	24.74%	27.92%	99.86%	1.87%	(1.74)%	24.57%	108.96%
City of Petersburg	2.38%	27.76%	45.79%	20.86%	2.15%	19.01%	31.66%	108.67%	4.87%	60.49%	27.04%	108.79%
City of Poquoson	20.45%	25.84%	34.97%	(0.93)%	2.47%	25.14%	30.32%	117.61%	12.68%	16.50%	15.57%	123.07%
City of Portsmouth	48.29%	31.15%	30.71%	9.74%	6.48%	37.50%	34.25%	123.38%	14.96%	10.81%	17.26%	145.57%
City of Radford	11.46%	44.79%	18.80%	(8.69)%	2.13%	3.78%	18.06%	79.14%	7.84%	(58.33)%	29.12%	108.63%
City of Richmond	15.38%	23.03%	61.46%	7.07%	3.54%	25.76%	22.52%	114.42%	9.92%	1.06%	11.78%	117.01%

Locality Name	Ratio 1 Result	Ratio 2 Result	Ratio 3 Result	Ratio 4 Result	Ratio 5 Result	Ratio 6 Result	Ratio 7 Result	Ratio 8 Result	Ratio 9 Result	Ratio 10 Result	Ratio 11 Result	Ratio 12 Result ²
City of Roanoke	4.87%	27.17%	19.53%	5.02%	2.42%	15.73%	15.62%	109.50%	8.67%	9.06%	24.84%	87.73%
City of Salem	59.74%	85.48%	78.83%	19.67%	3.68%	53.19%	57.48%	113.16%	4.90%	14.71%	17.45%	117.63%
City of Staunton	65.81%	59.88%	81.10%	5.35%	2.99%	32.76%	28.81%	116.00%	7.89%	38.74%	23.12%	114.23%
City of Suffolk	46.96%	29.05%	63.40%	5.25%	3.95%	47.96%	42.82%	125.58%	12.42%	16.91%	11.90%	105.27%
City of Virginia Beach	39.42%	48.42%	66.81%	2.26%	1.69%	27.97%	25.98%	119.03%	8.10%	26.00%	16.17%	117.80%
City of Waynesboro	45.68%	52.42%	47.78%	(1.55)%	1.74%	19.68%	35.76%	123.84%	7.31%	(39.99)%	19.95%	115.18%
City of Williamsburg	67.18%	138.14%	78.55%	0.79%	0.98%	41.59%	38.44%	108.45%	4.37%	(4.13)%	15.69%	103.34%
City of Winchester	4.11%	15.03%	32.93%	3.57%	2.71%	28.79%	29.31%	105.41%	12.52%	(1.02)%	9.14%	127.79%
County of Accomack	34.72%	67.90%	36.86%	12.83%	0.56%	54.60%	48.87%	112.47%	7.17%	(21.31)%	21.20%	106.11%
County of Albemarle	14.71%	42.33%	26.40%	4.35%	0.81%	21.20%	19.37%	113.79%	7.59%	(0.37)%	11.49%	N/A
County of Alleghany	21.89%	43.32%	37.34%	4.37%	0.26%	30.83%	35.65%	104.63%	5.20%	33.01%	35.79%	102.74%
County of Amelia	52.94%	194.81%	92.73%	13.82%	0.18%	50.86%	53.90%	106.01%	2.93%	10.38%	26.29%	57.80%
County of Amherst	40.73%	49.14%	38.31%	0.75%	0.39%	32.66%	34.58%	104.58%	7.71%	7.68%	21.37%	118.35%
County of Appomattox	72.71%	92.33%	81.92%	16.30%	0.96%	62.03%	57.45%	108.48%	12.41%	1.88%	32.45%	43.53%
County of Arlington	31.34%	47.95%	67.71%	7.03%	1.60%	18.98%	18.67%	102.52%	5.45%	(100.00)%	8.36%	125.64%
County of Augusta	41.18%	68.74%	49.12%	0.70%	0.86%	21.69%	22.80%	128.63%	7.74%	38.19%	15.57%	N/A
County of Bath	57.12%	345.75%	53.31%	5.21%	0.09%	48.07%	48.93%	99.36%	7.01%	(10.23)%	11.94%	N/A
County of Bedford	66.44%	74.35%	56.82%	1.18%	0.84%	41.91%	58.45%	87.18%	7.98%	11.77%	24.17%	80.08%
County of Bland	54.97%	45.38%	57.21%	(4.80)%	0.34%	51.31%	54.58%	103.60%	2.20%	(24.76)%	32.03%	48.13%
County of Botetourt	35.99%	54.09%	30.93%	6.97%	1.09%	34.70%	57.36%	87.60%	6.56%	3.46%	19.49%	N/A
County of Brunswick	46.99%	83.73%	44.20%	6.59%	0.52%	62.97%	61.72%	106.88%	4.81%	(2.35)%	17.45%	N/A
County of Buchanan	45.72%	205.62%	48.20%	(11.33)%	0.04%	43.70%	51.78%	86.98%	3.88%	(6.21)%	36.99%	N/A
County of Buckingham	43.42%	34.29%	63.68%	3.00%	1.36%	37.35%	50.63%	117.68%	15.85%	(23.72)%	22.30%	88.24%
County of Campbell	55.07%	125.03%	62.42%	20.29%	0.55%	38.14%	41.69%	115.78%	4.93%	25.82%	26.16%	0.00%
County of Caroline	16.52%	19.57%	43.85%	11.10%	1.86%	47.07%	44.12%	122.15%	15.30%	(0.02)%	11.13%	68.98%
County of Carroll	11.95%	46.23%	58.28%	29.76%	0.91%	40.46%	35.16%	119.63%	9.79%	95.30%	23.87%	N/A
County of Charles City	52.85%	193.73%	59.18%	5.10%	0.20%	43.64%	57.57%	106.62%	2.02%	10.43%	18.36%	14.30%
County of Charlotte	41.24%	35.15%	26.04%	(5.88)%	1.49%	53.76%	46.54%	116.11%	5.81%	20.70%	34.42%	N/A
County of Chesterfield	102.68%	136.39%	95.67%	8.80%	1.36%	62.10%	57.15%	115.47%	10.23%	0.00%	13.75%	202.12%
County of Clarke	27.84%	42.87%	47.83%	8.41%	1.04%	48.66%	40.48%	120.40%	8.96%	147.17%	17.56%	N/A
County of Craig	60.82%	127.86%	61.58%	2.56%	0.20%	44.09%	43.90%	101.84%	8.37%	(14.96)%	38.67%	N/A
County of Culpeper	37.38%	49.97%	36.13%	0.33%	1.23%	45.31%	45.59%	113.71%	9.05%	20.70%	19.60%	92.18%
County of Cumberland	21.07%	23.10%	46.79%	17.64%	2.33%	42.34%	38.70%	109.43%	15.77%	23.36%	33.42%	60.29%
County of Dickenson	97.16%	120.84%	16.89%	(6.52)%	0.60%	8.44%	14.48%	85.98%	4.96%	(55.84)%	37.18%	N/A
County of Dinwiddie	33.32%	34.13%	52.21%	11.53%	2.32%	42.00%	34.79%	127.03%	11.99%	3.91%	17.79%	N/A
County of Essex	19.71%	33.99%	41.52%	17.02%	1.50%	35.13%	28.34%	123.97%	16.42%	4.86%	23.52%	N/A
County of Fairfax	24.25%	43.24%	13.40%	(0.86)%	1.19%	20.83%	13.48%	117.56%	10.23%	60.40%	9.27%	132.05%
County of Fauquier	16.19%	46.22%	29.21%	9.15%	0.41%	16.21%	17.11%	115.12%	6.75%	(3.00)%	16.28%	87.88%
County of Floyd	4.43%	24.83%	43.34%	4.23%	1.15%	36.75%	89.38%	87.54%	10.08%	0.27%	26.52%	N/A
County of Fluvanna	29.43%	25.42%	57.02%	7.05%	2.37%	41.21%	46.14%	113.81%	16.48%	19.88%	20.41%	55.14%
County of Franklin	41.09%	60.01%	37.38%	10.08%	0.69%	37.48%	32.88%	116.02%	6.15%	20.43%	24.23%	61.76%
County of Frederick	47.71%	60.26%	56.02%	34.15%	1.44%	32.91%	34.28%	118.00%	9.68%	23.18%	13.07%	108.59%
County of Giles	14.39%	23.06%	26.08%	133.33%	1.58%	18.73%	17.18%	112.92%	3.42%	103.09%	30.39%	38.14%
County of Gloucester	22.35%	49.71%	40.81%	(2.83)%	0.62%	33.27%	34.87%	110.41%	6.43%	(8.26)%	14.15%	100.53%
County of Goochland	77.18%	49.52%	48.98%	12.44%	0.06%	65.60%	60.47%	116.98%	5.40%	2.12%	14.52%	116.79%
County of Grayson	28.29%	48.34%	55.30%	15.02%	0.73%	33.97%	38.32%	103.63%	6.43%	16.74%	28.34%	72.45%
County of Greene	25.41%	24.78%	43.20%	22.80%	2.30%	14.07%	33.53%	91.59%	7.85%	18.45%	19.53%	N/A
County of Greenville	71.87%	46.69%	61.47%	5.83%	1.13%	78.61%	66.70%	123.28%	8.79%	42.50%	19.61%	104.15%
County of Halifax	48.97%	47.36%	61.34%	10.07%	1.36%	70.61%	68.11%	108.25%	14.72%	(7.74)%	14.14%	N/A
County of Hanover	35.64%	72.07%	49.32%	7.91%	0.82%	28.55%	24.88%	119.13%	7.73%	6.97%	13.38%	134.55%
County of Henrico	72.95%	71.25%	45.31%	3.27%	1.22%	36.27%	31.48%	120.65%	8.38%	3.82%	18.03%	134.86%
County of Henry	73.57%	42.02%	91.37%	7.58%	2.59%	59.55%	173.46%	83.28%	7.10%	19.89%	22.62%	93.80%
County of Highland	105.95%	873.33%	94.61%	5.36%	0.00%	76.47%	82.26%	112.61%	0.00%	6.34%	23.98%	95.53%
County of Isle of Wight	30.73%	27.77%	63.30%	72.30%	2.76%	30.05%	37.51%	110.73%	15.42%	25.63%	10.05%	80.72%
County of James City	32.50%	58.88%	61.48%	8.34%	0.99%	36.77%	28.52%	129.43%	9.44%	32.70%	13.88%	N/A
County of King & Queen	208.40%	1736.66%	190.77%	2.70%	0.00%	137.72%	158.35%	116.57%	0.00%	45.40%	22.21%	75.02%
County of King George	74.46%	54.13%	94.25%	5.56%	2.09%	50.81%	63.86%	94.71%	12.84%	15.64%	17.43%	102.84%
County of King William	22.99%	38.17%	35.75%	(1.86)%	1.83%	21.16%	25.82%	107.98%	7.09%	4.01%	15.06%	N/A
County of Lancaster	14.10%	70.93%	27.85%	22.72%	0.24%	18.20%	17.49%	104.16%	4.85%	150.13%	19.70%	33.97%
County of Lee	30.94%	89.95%	32.06%	(8.50)%	0.32%	17.31%	27.98%	92.34%	3.53%	(30.14)%	51.63%	N/A
County of Loudoun	62.61%	70.32%	18.79%	5.04%	1.23%	23.48%	20.23%	131.01%	16.41%	(36.13)%	6.60%	N/A
County of Louisa	92.30%	112.69%	95.01%	10.75%	0.76%	80.94%	69.56%	116.84%	5.80%	19.34%	13.59%	N/A
County of Lunenburg	80.93%	107.54%	92.27%	5.81%	0.79%	81.97%	82.10%	115.17%	11.45%	9.26%	36.47%	N/A
County of Madison	127.04%	114.98%	68.42%	5.17%	1.29%	60.84%	109.65%	104.73%	3.16%	(8.34)%	25.12%	N/A
County of Mathews	47.22%	309.04%	44.81%	5.69%	0.10%	34.87%	40.32%	99.94%	5.61%	4.31%	22.33%	N/A
County of Mecklenburg	73.78%	55.08%	79.87%	9.53%	1.99%	14.47%	17.66%	114.19%	6.65%	8.31%	6.78%	N/A
County of Middlesex	33.69%	52.68%	54.85%	5.38%	0.77%	38.61%	36.87%	105.21%	10.50%	4.58%	17.24%	N/A
County of Montgomery	35.28%	43.20%	59.36%	8.72%	1.80%	34.52%	41.53%	108.93%	16.53%	(6.53)%	14.70%	N/A
County of Nelson	78.48%	118.57%	85.30%	(1.84)%	0.71%	69.02%	68.05%	102.38%	8.49%	(11.54)%	24.28%	19.90%
County of New Kent	46.34%	54.94%	90.10%	6.73%	1.40%	29.02%	21.38%	147.35%	18.11%	(0.29)%	13.13%	117.74%
County of Northampton	50.85%	37.97%	50.10%	8.26%	2.30%	48.97%	39.56%	123.78%	9.69%	1.63%	14.00%	129.55%
County of Northumberland	24.40%	29.26%	29.75%	5.43%	0.94%	26.27%	24.84%	105.77%	7.03%	12.45%	16.20%	61.87%

Locality Name	Ratio 1 Result	Ratio 2 Result	Ratio 3 Result	Ratio 4 Result	Ratio 5 Result	Ratio 6 Result	Ratio 7 Result	Ratio 8 Result	Ratio 9 Result	Ratio 10 Result	Ratio 11 Result	Ratio 12 Result ²
County of Nottoway	149.63%	267.50%	129.83%	3.20%	0.13%	100.32%	105.29%	110.80%	2.63%	(11.67)%	30.92%	N/A
County of Orange	41.02%	43.46%	68.97%	11.54%	1.74%	62.01%	43.76%	141.95%	14.47%	2.07%	13.46%	27.02%
County of Page	25.35%	27.78%	(2.67)%	26.07%	2.14%	42.56%	37.88%	112.56%	14.16%	23.94%	16.34%	N/A
County of Patrick	16.76%	21.23%	21.42%	(10.47)%	1.89%	29.91%	27.99%	108.78%	9.23%	30.19%	26.58%	66.42%
County of Pittsylvania	45.46%	51.62%	43.72%	27.89%	1.15%	46.46%	42.64%	110.80%	14.14%	28.15%	30.28%	156.14%
County of Powhatan	27.90%	20.44%	46.08%	30.71%	2.57%	36.48%	32.90%	110.89%	16.68%	4.72%	14.63%	24.68%
County of Prince Edward	41.73%	50.11%	34.26%	31.64%	0.57%	40.58%	48.33%	86.93%	3.73%	30.06%	26.28%	42.20%
County of Prince George	48.48%	66.69%	68.30%	8.93%	1.73%	59.39%	46.28%	128.34%	12.97%	18.50%	19.42%	120.96%
County of Prince William	42.16%	60.04%	15.39%	10.78%	1.42%	15.92%	18.79%	101.73%	11.59%	4.66%	13.78%	125.26%
County of Pulaski	30.65%	41.45%	58.41%	16.28%	1.98%	36.64%	35.01%	109.81%	10.83%	14.46%	26.12%	N/A
County of Rappahannock	30.96%	122.84%	25.42%	16.01%	0.07%	28.06%	26.05%	108.13%	1.76%	13.98%	23.34%	N/A
County of Richmond	(3.23)%	15.50%	12.28%	17.31%	1.78%	10.34%	10.58%	98.36%	11.05%	75.84%	24.97%	N/A
County of Roanoke	15.49%	32.65%	16.66%	(7.94)%	1.78%	12.91%	17.19%	111.69%	9.47%	(2.32)%	17.23%	N/A
County of Rockbridge	36.46%	36.23%	52.09%	(1.13)%	1.76%	51.09%	61.18%	105.70%	10.43%	(13.87)%	14.56%	56.09%
County of Rockingham	34.96%	44.91%	33.65%	8.65%	1.09%	23.09%	31.22%	93.63%	8.18%	45.50%	15.79%	92.13%
County of Russell	17.46%	51.60%	42.69%	8.98%	0.38%	15.65%	17.31%	95.58%	5.33%	(10.76)%	35.89%	41.30%
County of Scott	22.59%	159.04%	28.94%	146.53%	0.00%	34.32%	23.36%	146.95%	0.78%	125.72%	35.60%	N/A
County of Shenandoah	18.28%	38.62%	16.02%	3.24%	0.86%	18.98%	19.27%	109.26%	9.22%	(12.65)%	19.28%	76.27%
County of Smyth	17.82%	26.06%	32.05%	2.41%	2.26%	30.01%	34.45%	103.20%	10.11%	18.62%	33.85%	70.50%
County of Southampton	7.38%	17.46%	34.11%	8.38%	1.66%	27.70%	24.45%	113.27%	3.12%	5.68%	21.87%	32.72%
County of Spotsylvania	63.63%	57.75%	68.41%	16.07%	1.79%	40.17%	41.03%	102.24%	14.29%	24.99%	18.08%	156.59%
County of Stafford	32.58%	41.22%	49.19%	2.22%	1.81%	22.74%	29.41%	102.67%	13.70%	0.65%	9.86%	131.37%
County of Surry	29.21%	46.01%	42.48%	7.28%	0.69%	72.37%	68.53%	105.60%	7.58%	(24.90)%	13.50%	29.33%
County of Sussex	42.90%	75.56%	52.65%	3.15%	1.05%	25.58%	25.14%	103.06%	6.41%	(29.03)%	24.99%	N/A
County of Tazewell	14.71%	40.74%	16.77%	(1.04)%	0.52%	23.34%	23.60%	107.76%	4.41%	16.39%	32.56%	26.87%
County of Warren	25.51%	23.89%	47.57%	1.24%	2.06%	15.13%	19.49%	97.14%	14.37%	5.98%	16.89%	N/A
County of Washington	33.65%	107.90%	46.60%	18.69%	0.38%	39.19%	37.35%	106.28%	4.46%	20.08%	22.74%	N/A
County of Westmoreland	41.94%	22.87%	37.79%	5.81%	0.34%	34.83%	42.81%	100.48%	4.12%	22.18%	24.97%	78.71%
County of Wise	69.51%	41.33%	48.19%	3.75%	1.79%	32.52%	48.85%	107.45%	0.17%	(1.30)%	35.21%	14.34%
County of Wythe	126.90%	71.09%	154.38%	2.70%	1.52%	90.48%	103.83%	100.08%	11.46%	(2.67)%	27.53%	83.40%
County of York	37.24%	63.98%	50.30%	0.46%	0.99%	26.62%	21.75%	118.74%	7.14%	0.00%	11.75%	101.73%
Town of Abingdon	32.26%	40.87%	57.79%	3.21%	1.05%	36.57%	58.18%	88.90%	4.44%	5.62%	21.43%	120.21%
Town of Ashland	85.86%	84.28%	86.73%	4.70%	0.85%	58.70%	54.23%	108.25%	7.70%	1.26%	25.99%	N/A
Town of Bedford	39.17%	74.83%	48.99%	(1.38)%	1.91%	24.36%	87.93%	90.46%	8.91%	(18.71)%	25.00%	109.52%
Town of Berryville ¹	194.22%	130.57%	206.36%	2.00%	0.00%	111.11%	112.77%	110.59%	3.08%	6.10%	24.96%	117.48%
Town of Big Stone Gap	27.81%	27.01%	54.12%	1.83%	1.85%	19.71%	54.65%	98.18%	3.47%	36.99%	29.70%	111.85%
Town of Blacksburg	30.07%	75.16%	51.95%	8.13%	0.68%	43.06%	34.99%	129.85%	6.97%	11.03%	13.49%	118.93%
Town of Blackstone	45.20%	54.01%	48.89%	1.25%	0.00%	4.95%	5.89%	96.37%	1.82%	1124.68%	27.68%	116.52%
Town of Bluefield	32.84%	39.75%	40.60%	(3.00)%	1.58%	53.74%	56.62%	94.90%	5.95%	0.41%	31.31%	90.79%
Town of Bridgewater	(10.86)%	14.34%	11.75%	17.67%	1.08%	9.16%	12.74%	79.50%	6.59%	(22.34)%	24.25%	134.96%
Town of Broadway ¹	2.17%	7.44%	27.10%	4.33%	0.00%	15.58%	17.74%	90.66%	1.94%	(9.47)%	38.37%	108.78%
Town of Christiansburg	77.33%	168.32%	95.54%	6.75%	0.54%	133.73%	118.47%	114.18%	3.39%	0.73%	17.84%	142.85%
Town of Clifton Forge	46.21%	47.76%	74.31%	1.90%	0.19%	(0.48)%	(0.13)%	97.21%	4.47%	(143.11)%	41.14%	114.34%
Town of Colonial Beach ¹	31.34%	26.76%	45.09%	3.50%	0.00%	34.76%	32.18%	108.15%	8.68%	4.80%	21.10%	116.42%
Town of Culpeper	82.48%	89.60%	104.30%	1.95%	1.76%	77.25%	79.91%	97.95%	6.61%	(3.40)%	15.40%	108.69%
Town of Dumfries	66.06%	44.70%	75.46%	3.70%	1.90%	67.76%	75.62%	99.82%	17.36%	(12.77)%	18.30%	N/A
Town of Farmville ¹	5.43%	30.24%	32.14%	30.14%	0.00%	2.83%	28.63%	94.00%	13.84%	(44.28)%	24.56%	211.12%
Town of Front Royal	163.65%	137.19%	107.48%	0.66%	0.00%	83.24%	139.31%	82.60%	0.00%	19.74%	28.45%	124.98%
Town of Herndon	73.10%	123.20%	89.07%	3.44%	0.42%	53.62%	50.82%	106.45%	4.72%	26.15%	17.36%	106.84%
Town of Leesburg	80.39%	69.97%	97.94%	5.18%	1.26%	44.29%	47.13%	97.95%	13.96%	24.67%	29.82%	166.52%
Town of Luray	29.11%	30.39%	40.60%	(3.82)%	2.02%	28.93%	35.23%	85.11%	11.63%	(33.71)%	26.92%	96.00%
Town of Marion	(36.29)%	8.32%	12.17%	0.48%	1.38%	(2.04)%	(0.49)%	84.87%	2.46%	(158.18)%	37.33%	181.29%
Town of Orange	29.63%	26.46%	51.31%	(0.40)%	0.63%	77.96%	74.43%	105.58%	5.54%	5.89%	30.40%	96.23%
Town of Pulaski	5.91%	37.13%	17.19%	(4.09)%	1.23%	6.30%	7.53%	92.85%	7.96%	(33.04)%	37.05%	108.61%
Town of Purcellville	102.64%	36.78%	119.27%	1.42%	3.39%	56.74%	64.74%	98.38%	11.60%	(3.73)%	12.33%	96.61%
Town of Richlands	21.43%	97.43%	40.82%	(7.81)%	0.49%	(15.35)%	4.46%	87.66%	0.14%	(365.99)%	23.01%	96.16%
Town of Rocky Mount	101.38%	125.79%	93.19%	(4.52)%	0.24%	105.20%	105.86%	100.14%	4.25%	2.89%	38.65%	70.03%
Town of Smithfield	89.99%	152.43%	102.87%	8.02%	0.49%	54.70%	64.47%	101.41%	3.84%	6.89%	19.75%	106.14%
Town of South Boston	63.93%	44.70%	36.20%	10.58%	1.94%	95.27%	107.07%	94.61%	15.88%	14.10%	24.78%	N/A
Town of South Hill	194.72%	931.13%	211.27%	6.66%	0.00%	189.83%	184.65%	102.80%	0.00%	1.84%	29.36%	112.17%
Town of Strasburg	37.72%	21.10%	78.04%	4.11%	1.84%	29.08%	41.17%	91.94%	2.45%	16.35%	30.42%	96.84%
Town of Tazewell	(27.91)%	9.39%	1.52%	(5.60)%	1.06%	3.15%	4.41%	89.12%	12.70%	797.11%	29.91%	98.35%
Town of Vienna	120.09%	76.96%	49.84%	2.51%	1.21%	24.13%	34.23%	95.10%	14.33%	(7.87)%	17.87%	162.08%
Town of Vinton	46.41%	76.83%	72.23%	10.20%	0.58%	50.97%	49.80%	123.53%	5.74%	25.66%	29.86%	98.70%
Town of Warrenton	90.73%	80.82%	98.68%	(0.26)%	1.20%	74.08%	101.51%	87.57%	5.50%	(12.34)%	26.56%	103.43%
Town of West Point	64.97%	125.68%	68.73%	(0.34)%	1.33%	55.22%	63.44%	96.11%	15.32%	(4.67)%	8.37%	124.93%
Town of Wise	123.98%	362.05%	143.19%	19.64%	0.68%	173.87%	176.44%	112.81%	0.00%	7.86%	27.71%	101.79%
Town of Woodstock	51.29%	31.34%	73.48%	0.89%	1.42%	56.08%	65.37%	97.25%	3.49%	8.56%	19.25%	113.59%
Town of Wytheville	58.11%	55.56%	68.29%	1.80%	2.02%	46.56%	83.27%	98.33%	7.74%	(49.15)%	26.49%	101.89%

¹ Ratio five was not calculated for the Towns of Berryville, Broadway, Colonial Beach, and Farmville because their valuation data for real estate, personal property, and public service corporations was not readily available for our analysis.

² Ratio 12 results are noted as N/A for applicable localities that do not have enterprise funds.

As discussed on page 3 of the report, the Office’s current model includes a second component, which involves an additional assessment of demographic and other external, qualitative factors as part of our final evaluation to identify whether a locality should participate in our follow-up process. The qualitative evaluation focuses only on those localities we have identified in the ratio analysis as exceeding our established threshold of total points for all 12 financial ratios. The following information provides a summary of the primary factors the Office evaluates as part of our demographic and qualitative analysis.

	Population growth or decline based on the most recent count from the U.S. Census Bureau, compared to a three-year trend of local population estimates published by the University of Virginia Weldon Cooper Center
	Three-year trend of local unemployment rate compared to the national and Virginia averages, as published by the Virginia Employment Commission and U.S. Bureau of Labor Statistics
	Three-year trend of local median household income compared to the national and Virginia averages, as published by the U.S. Census Bureau
	Three-year trend of local poverty rate compared to the national and Virginia averages, as published by the U.S. Census Bureau
	Three-year trend in assessed value of the locality’s tax base for the total value of real estate, tangible personal property, and public service corporations, as published annually by the Virginia Department of Taxation
	Three-year trend in the locality’s fiscal stress ranking and class designations, as published annually by the Commission on Local Government
	Three-year trend of the locality’s percent of actual local expenses above the Required Local Effort and Required Local Match, and the Composite Index of Local Ability to Pay, as published by the Virginia Department of Education
	Other external, economic, or qualitative factors through analysis of audited financial reports and monitoring external sources, such as information from state and local officials, local governing body meetings, or media

As discussed on page 3, the ratio and qualitative analyses are used as a starting point to make a preliminary determination of the need for our Office to perform further follow-up with a locality that appears to show signs of potential fiscal distress. Through a financial assessment questionnaire and further discussions with locality officials, our follow-up review focuses on gaining a better understanding of several key financial and other factors affecting a locality’s situation, as shown in the figure below. The financial assessment questionnaire is a key component of our follow-up process, as it is designed to examine the qualitative and external factors unique to each locality that are not easily measured in a financial ratio, along with understanding policy and procedural aspects that may contribute to a locality’s results in the ratio and qualitative analyses. The Office has included the [financial assessment questionnaire](#) on our website for any locality to use as an internal self-assessment tool.



The primary objective of our follow-up process is to determine if a locality is experiencing a situation of fiscal distress that warrants further assistance or intervention from the Commonwealth. The legislature has tasked our Office with developing an annual monitoring system that focuses on looking for early warning signs to determine if a locality is in fiscal distress and make a conclusion of whether a locality needs state assistance or intervention to further assess, help stabilize, or remediate the situation. Accordingly, our annual monitoring and follow-up review process is not designed to evaluate or give an opinion on a locality’s fiscal health. The governing body and management at each locality have the responsibility for assessing and monitoring the fiscal health and stability of their locality.

If the Office’s follow-up process indicates that a locality does not appear to be in a situation of fiscal distress, our review and discussions with a locality focus on obtaining an understanding of the specific issues and factors that may have contributed to the results in our ratio and qualitative analyses. Additionally, the follow-up process assists our Office in further understanding the policies and plans the locality has in place to continue to move forward and improve its financial position. Alternatively, if our follow-up process does identify a locality that is demonstrating signs of fiscal distress, our review focuses on obtaining an understanding of the extent of underlying issues causing the distress, the locality’s response to the situation, and any policies or plans the locality should implement to move forward and improve its financial position. After completion of the follow-up review with a locality, our process involves further evaluation of a locality’s specific situation of fiscal distress to determine if state assistance is needed. If necessary, the Office then formally notifies, in writing, the Governor, Money Committees, and the locality’s governing body, about the specific issues or actions that may require state assistance or intervention. At that point, the legislation specifies that the Governor’s office, in consultation with the Money Committees, will administer the process of deciding whether further consideration or action by the Commonwealth for assistance may be appropriate to help address the locality’s fiscal distress.